

## ADVANCED SYS-TEK LIMITED

### CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT

#### PERSONNEL

**Effective Date: 11.09.2024**

#### **1. INTRODUCTION:**

The matters covered in this Code of Conduct for Board of Directors and Senior Management Personnel ("Code") are of the utmost importance to Advanced Sys-tek Limited ("Company"), its shareholders and stakeholders and are essential so that it can conduct business in accordance with legal and ethical values to which the Company is strongly committed.

Pursuant to Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), the board of directors of a listed entity is required to lay down a code of conduct for all members of board of directors and senior management of the listed entity.

In compliance with the SEBI Listing Regulations, the board of directors of the Company ("Board") has laid down this Code for the Board and the senior management personnel of the Company [i.e. officers / personnel of the Company who are members of its core management team excluding the Board and normally this shall comprise all members of management one level below the chief executive officer / managing director / whole time director/manager (including chief executive officer / manager, in case they are not part of the board) and shall specifically include Company Secretary, Chief Financial Officer and Senior Management. This Code enables the Company to publicly state to its external stakeholders (suppliers, customers, consumers and shareholders), the way in which they intend to do business.

The Policy shall be uploaded in the website of the Company **[www.advancedsystemek.com](http://www.advancedsystemek.com)**.

The Code shall become effective from 11<sup>th</sup> September, 2024.

#### **2 APPLICABILITY OF THE CODE:**

This Code applies to Board and the Senior Management Personnel.

The Directors and the Senior Management Personnel should continue to comply with other applicable / to be applicable policies, rules and procedures of the Company.

### 3. DEFINITION

3.1 "Act" means the Companies Act, 2013 and the Rules framed thereunder, including any modifications, amendments, clarifications, circulars or re-enactments thereof.

3.2 "Board of Directors" or "Board" in relation to the Advanced Sys-tek Limited means the collective board of the Directors of the Company as constituted/reconstituted from time to time.

3.3 "Company" means Advanced Sys-tek Limited.

3.4 "LODR Regulations" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

3.5 "Senior Management" shall mean officers/personnel of the Company who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/wholetime director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include Company Secretary and Chief Financial Officer.

3.6 "Stock Exchange" means BSE Limited.

3.7 "Key Managerial Personnel" in relation to the Company means; (i) the Chief Executive Officer, or the Managing Director or the Manager in their absence, (ii) whole-time Director (iii) the Company Secretary; (iv) the Chief Financial Officer and

### 4. CODE OF CONDUCT

The Board and Senior Management Personnel of the Company should:

(a) demonstrate the highest standards of integrity, business ethics, and corporate governance;

(b) perform their roles with competence, diligence, in good faith and in the best interests of the Company;

(c) provide expertise and experience in their areas of specialization and share learnings at the meetings of the Board with best interests of the Company and its stakeholders in mind. They should point the Company's management in the 'right' direction based on their experience and judgement;

(d) give careful and independent consideration to the affairs of the Company and all documents placed before them to satisfy themselves with the soundness of key decisions

**Advanced Sys-tek Limited (formerly Advanced Sys-tek Private Limited)**

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CIN : U33112GJ1988PLC010464

taken by the management. They should call for additional information, where necessary, for making such judgements;

(e) not engage in any business, relationship or any activity which detrimentally conflicts with the interest of the Company or bring discredit to the Company. Any situation that creates a conflict of interest between personal interests and the Company and its stakeholders' interests must be avoided at all costs;

(f) follow all the guidelines put forth in the policy for prevention of insider trading;

(g) not disclose any confidential / privileged information of the Company and should direct any media queries or approaches to the appropriate spokesperson within the Company; and

(h) not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates.

(i) not commit any offence involving moral turpitude

(j) promoter professionalism in the Company - Advanced Sys-tek Limited

(k) Shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, the community and for the protection of environment;

(l) Shall not achieve or attempt to achieve any undue gain or advantage either to himself /herself or to relatives, partners, or associates and if found guilty of making any undue gain, he/she shall be liable to pay an amount equal to that gain to the company;

(m) Shall not assign his/her office and any assignment so made shall be void.

## **5. COMPLIANCE**

The Board of Directors and the Senior Management Personnel shall ensure compliance of various legal / regulatory requirements as applicable to the business of the Company and endeavor that before any directions are given or decisions taken, relevant legal / regulatory requirements are taken into account.

The Board of Directors and the Senior Management Personnel shall report concerns about unethical behavior, actual or suspected instances of fraud, misconduct irregularity or failure

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of internal control system, likely to impact the business interest of the Company or any other information that may be perceived to be violating any legal / regulatory requirements as per the Whistle Blower Policy of the Company.

Any transaction falling under the definition of related party transactions as per the provisions of the Companies Act, 2013 and as detailed in the Related Party Transaction Policy of the Company must be entered into by the Director or the Senior Management Personnel only after obtaining prior approval of the Board or any Committee thereof.

## **6. CONFLICT OF INTERESTS**

Directors and employees shall not engage in any business, relationship or activity, which may be in conflict with the interest of the Company. Notwithstanding anything contain herein, an Independent Director / Non-Executive Director shall have the full liberty to pursue his / her independent professional / business / employment activities.

When such situation arises, the concern person should immediately and fully disclose the relevant circumstances to the immediate supervisor. In case of Board Members, the Board should be informed about such circumstances. Such transaction should be entered only after the intimation / approval of the Board of Directors.

### **What constitutes conflict of interest?**

A conflict of interest exists where the interests or benefits of one person or entity in which he is interested, conflict with the interests or benefits of the Company.

For Example:

**Outside Directorships.** It is a conflict of interest to serve as a director of any company that competes with the Company. Our policy requires that you obtain prior approval from the Company's Board of Directors before accepting a directorship.

**Business Interests.** If you or any of your associates enter into any sort of business arrangement/ investments in a Company, customer, supplier, developer or competitor, you must ensure that the arrangement/ investment does not conflict/ compete your duties and responsibilities towards the Company. In such circumstances, you should obtain prior approval of the Board of Directors of the Company. Many factors should be considered in determining whether a conflict exists, including the size and nature of the arrangement/ investment; your ability to influence the Company's decisions; your access to confidential

information of the Company or of the other company; and the nature of the relationship between the Company and the other company. Related Parties. All related party transactions should be done after complying with Sections 184, 188 and 189 of the Companies Act 2013, Listing Regulations, 2015, relevant accounting standards and other applicable laws. The Company's Audit Committee must review and approve such related party transactions. The Company must report all such material related party transactions as required under the Act, Listing Regulations, 2015, relevant accounting standards and other applicable laws. Any dealings with a related party must be conducted in such a way that the interest of the Company is not jeopardized.

## **7. DUTIES OF DIRECTORS OF THE COMPANY**

### **A. Fiduciary Duties**

- a. Act in good faith in the best interests of the company.
- b. Avoid conflicts of interest.
- c. Exercise powers for a proper purpose.
- d. Not to exploit corporate opportunities for personal gain.

### **B. Compliance with Laws and Regulations**

- a. Ensure the company complies with applicable laws, including corporate laws, taxation laws, labor laws, and environmental regulations.
- b. File required returns and documents with regulatory authorities like the Registrar of Companies (RoC) and SEBI (for listed companies).

### **C. Duty of Care, Skill, and Diligence**

- a. Perform duties with due care, skill, and diligence.
- b. Make informed decisions in the best interest of the company.
- c. Regularly attend board and committee meetings and participate actively in decision-making.

### **D. Financial Oversight**

- a. Ensure accurate maintenance of financial records.
- b. Approve financial statements and ensure compliance with financial reporting standards.
- c. Ensure proper management of company funds and maintain solvency.

## **E. Strategic Planning**

- a. Formulate, execute, and oversee the company's strategic plans.
- b. Ensure growth and profitability objectives are met.

## **F. Corporate Governance**

- a. Uphold high standards of corporate governance and ensure transparency in dealings.
- b. Oversee risk management and ensure the company operates within the approved risk framework.

## **G. Appointment and Supervision of Key Executives**

- a. Recruit, train, and monitor senior management personnel.
- b. Oversee performance reviews and provide necessary guidance to management.

## **H. Representation of the Company**

- a. Represent the company in negotiations, legal matters, or other external dealings.
- b. Act as a spokesperson when dealing with regulators, shareholders, and other stakeholders.

## **I. Corporate Social Responsibility (CSR)**

- a. Ensure compliance with the CSR obligations under the Companies Act, 2013, if applicable.
- b. Approve and oversee CSR policies and programs.

## **J. Shareholder Relations**

- a. Ensure transparent communication with shareholders and address their concerns.
- b. Approve and recommend dividends, manage share-related matters like issuance or buyback, etc.

- K.** These duties are in addition to any specific responsibilities outlined by the company's board or in the whole-time director's employment contract.

## **8. DUTIES OF INDEPENDENT DIRECTORS:**

The independent directors shall:

- (a) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- (b) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
- (c) strive to attend all meetings of the Board and of the committees of the Board, which the independent director(s) is a member of;
- (d) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (e) strive to attend the general meetings of the Company;
- (f) where they have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the meeting of Board;
- (g) keep themselves well informed about the Company and the external environment in which it operates;
- (h) not to unfairly obstruct the functioning of an otherwise proper Board or committees of the Board;
- (i) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;

(j) ascertain and ensure that the Company has an adequate and functional Whistle Blower Policy and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;

(k) report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy, if any;

(l) acting within his / her authority, assist in protecting the legitimate interests of the Company, shareholders and its employees; and

(m) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

## **9. ANNUAL AFFIRMATION WITH COMPLIANCE OF THIS CODE :**

As per Regulation 26(3) of the SEBI Listing Regulations, all members of the Board and Senior Management Personnel of the Company shall affirm compliance with this Code on an annual basis.

## **10. AMENDMENT OF CODE**

The provisions of this Code can be amended or modified by the Board of Directors from time to time and all such amendments/modifications shall take effect from the date stated therein.

Sd/-

Shirish M. Adi

Managing Director

DIN: 03259129